

Statement from NAB to 7.30 5 March 2019

NAB Spokesperson:

"We are very aware of the trust customers place in us to keep their money and data safe and secure, and the top priority for us is ensuring the privacy and security of our customers' information. This is not something we take lightly."

"NAB has a relationship with Quantum, an Australian data analytics and marketing company, which is aimed at helping NAB's business customers with the ability to analyse and measure their own business and market performance to improve productivity and effectiveness."

"Quantum is provided with de-identified, encrypted NAB transaction data. No personalised NAB customer transaction information is shared with Quantum and NAB has strict processes and procedures in place to ensure that the de-identified information cannot be re-identified by Quantum or its clients."

"As digitisation continues across the economy, our goal is to be able to use data to help our customers – through better products, experiences and more personalised insights as well as seamless innovative services to meet their needs."

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- Is NAB aware that the transaction data it provides to Quantum is used to generate reports for online gambling companies that assist them in targeting gambling advertising?**

At no time has Quantum assisted Sportsbet to target gambling advertising to individuals.

In June 2018, NAB updated its agreement with Quantum to include a restricted industry list, which includes gaming.

At this time, Quantum independently ended its relationship with Sportsbet to provide de-identified, aggregated tracking of the gambling industry market size and share.

- NAB's privacy policy does not appear to disclose the arrangement it has with Quantum to disclose customer transaction data. Can NAB explain how it discloses to customers that information will be provided to Quantum? Which specific provision in the section 'sharing with third parties' does Quantum fall under?**

The information disclosed by NAB is not considered 'personal information' under the Privacy Act.

Additionally, the NAB Privacy Policy states: "We may use or disclose information about you in order to combine the information that we hold with information collected from or held by external sources... Where those insights are provided to others, such insights are based on aggregated information and do not contain any information that identifies you."

- Does NAB's disclosure of personal information to Quantum comply with the Privacy Act?**

The information disclosed by NAB is not considered 'personal information' under the Privacy Act.

- Consumer groups have expressed concerns to 7.30 about NAB's use of customer transaction data to commercially benefit gambling operators. Does NAB believe it has sufficiently**

disclosed to customers that it may send their transaction data to a third party, which may in turn compile reports to online gambling companies to assist them in targeting new customers?

See above.

- **Can NAB explain the specific method of de-identification it uses for transaction data?**

We use industry best practices. All information is encrypted and hashed. It cannot be reidentified by Quantum or its clients. We do not reveal the type of encryption for security purposes.

- **What specific fields of data are provided by NAB to Quantum? Does it provide date of birth, location, and specific line by line transaction data?**

NAB provides de-identified, aggregated transaction data to Quantum for the purpose of performing data analytics. The aggregated data is grouped in categories including post code, month/year of birth and gender for the purpose of demographics.

- **Does NAB rely on K-Anonymity to de-identify data, and if so what is the value of K for this de-identification process?**

This is a question for Quantum.

- **What assurances has NAB taken to ensure the customer data it provides Quantum is not able to be re-identified by Quantum or a third party Quantum discloses the information to? Has it engaged in a detailed privacy impact assessment?**

The algorithm used to de-identify the transactional data means that it is not possible for Quantum to recover any original customer data.

- **Does Quantum share geographical and demographic information on individuals with Sportsbet, and if so how detailed is this information?**

NAB does not share geographic or demographic information relating to individuals.

- **Does Quantum share data on individuals and their transactions to Sportsbet?**

No.

- **In December 2018 Sportsbet Pty Ltd was charged with four criminal offences in NSW for allegedly offering gambling inducements in breach of s 33H(1) of the Betting and Racing Act. The four charges relate to inducements that appear on Sportsbet's website for bonus bet offers. Is NAB concerned that one of the organisations that is provided with NAB customer transaction data insights through Quantum is facing criminal charges?**

No NAB transaction data has ever been provided to Sportsbet, via Quantum, for the purpose of marketing any customer offers.

- **The Royal Commission's final report identified a number of failings in how NAB engages with customers. Is NAB considering reviewing how it handles customer's personal information in light of the commission's findings?**

NAB takes the confidentiality and privacy of its customers' information seriously including all of its obligations relating to the security, confidentiality and privacy of data.